

# **Environmental Results under EPA Grants**

Howard Corcoran

Environmental Protection Agency – Office of Grants and  
Debarment

## ENVIRONMENTAL RESULTS UNDER EPA GRANTS

Howard Corcoran, Director, EPA Office of Grants and Debarment

2<sup>nd</sup> Annual National EPA Office of Compliance Grant Conference April 15, 2004, Westin Embassy Row Hotel, Washington DC

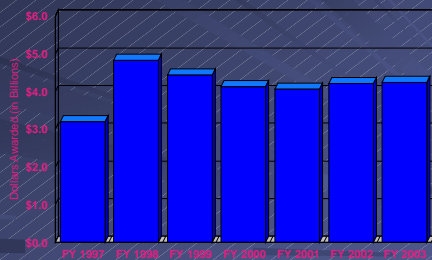
### Notes

*Howard Corcoran, Director, EPA Office of Grants and Debarment*

*EPA grants are a big issue now*

*Information is to be provided on environmental results achieved under EPA grants*

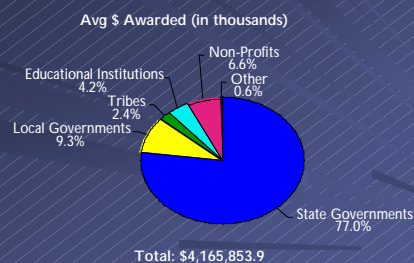
## GRANT AWARDS AVERAGE 4 BILLION EACH FISCAL YEAR, OVER HALF OF EPA'S BUDGET!



### Notes

*Grants are a large part of EPA's budget*

## MAJOR GRANTEEES ARE GOVERNMENTS, NON-PROFITS, AND EDUCATIONAL ORGANIZATIONS



### Notes

*This slide shows the distribution of grants*

### GRANTS MANAGEMENT: A LONGSTANDING MANAGEMENT WEAKNESS SINCE 1995

- A Perennial GAO/OIG Major Management Challenge
- In 1996, a Material weakness under Federal Managers Financial Integrity Act (FMFIA)
- Currently an Agency-level weakness
- OIG maintains it should be reclassified as a Material Weakness
- OMB considered it a Material Weakness in 2002
- Congressional hearings in 1996, 1999, and 2000
- House Transportation and Infrastructure Committee hearings in 2003 and 2004
- Senate Environment and Public Works Committee hearings in 2004

### Notes

*Because there is a lot of activity, there are also many problems*

*One of the major issues is achieving environmental results under EPA grants*

### ENVIRONMENTAL RESULTS – A MAJOR PROBLEM AREA IN EPA GRANTS MANAGEMENT

- OIG AUDITS:
  - Grant workplans focus on short-term procedural results
- GAO REPORTS:
  - Some discretionary grants awarded without consideration of environmental results
  - EPA has not developed environmental measures/outcomes for all of its grant programs
- OMB PART REVIEWS:
  - Some grant programs lack outcome-based measures
- CONGRESS:
  - EPA grants not demonstrating environmental results for the taxpayer

### Notes

*A lot of grants focus on short-term procedural results as opposed to outcome results*

*What is the taxpayer getting?*

### ENVIRONMENTAL RESULTS – A MAJOR FOCUS OF EPA'S GRANTS MANAGEMENT PLAN

Goal 5: Support Identifying Achieving Environmental Outcomes

- Key aspects:
  - Link grants to the Agency's strategic goals
  - Incorporate outcome measures in grant work plans
  - Strengthen performance reporting by grantees on environmental outcomes
  - Require grant solicitations to discuss expected environmental outcomes
  - Include success in reporting on outcomes in criteria for awarding new grants

### Notes

*How is EPA addressing this issue?*

*EPA issued the first ever grants management plan and consulted with states to do it. Goal 5 of EPA's Strategic Plan addresses environmental outcomes.*

### PROGRESS TO DATE: INTERIM POLICY ON ENVIRONMENTAL RESULTS

- Issued on January 14, 2004 as Grants Policy Issuance 04-02
- Went into effect February 9, 2004
- Requires funding packages to address how a program/project will further EPA's Strategic Goals
- Encourages funding packages to include a description of links to the Strategic Plan/GPRA Architecture
- Will be superseded by EPA Order on Environmental Results under Assistance Agreements

### Notes

*What have we done under Goal 5 so far?*

*EPA issued an interim policy to link grants to the Strategic Plan. Every time a funding package is sent, it must describe the link.*

### PURPOSE AND SCOPE OF DRAFT EPA ORDER

- Ensure that grants are results-oriented
- Ensure that grants are aligned with Strategic Plan and GPRA Architecture
- Identify and report significant grant results information as part of Annual Report process
- Will affect entire grants process:
  - Competitive Funding Announcements
  - Workplan Negotiations
  - Funding Packages
  - Performance Reporting
  - Advanced Monitoring

### Notes

*Now EPA has a workgroup with Regions and HQ to try to ensure that grants are results-oriented, etc.*

### DRAFT EPA ORDER: COMPETITIVE ANNOUNCEMENTS AND WORKPLANS

- Competitive Funding Announcements:
  - Describe Strategic Planning linkage and expected outcomes
  - Include ranking criterion on ability to identify, track and measure expected outcomes
  - Include ranking criterion on past performance in reporting on outcomes
- Grant Workplans
  - Negotiate workplans that contain well-defined outputs and outcomes
  - Program office must be able to link to EPA Strategic Plan/GPRA Architecture

### Notes

### DRAFT EPA ORDER: PERFORMANCE REPORTS, FUNDING PACKAGES AND ADVANCED MONITORING

- Recipient Performance Reporting
  - Reports must address progress/success in achieving agreed-upon outputs and outcomes
- Funding Packages
  - Must describe linkage to Strategic/GPRA Architecture
  - Must contain an assurance that workplan contains well-defined outputs/outcomes
- Advanced Monitoring
  - Monitoring must address progress in achieving outputs/outcomes

#### Notes

### DRAFT EPA ORDER: EPA REPORTING

- Review and Use of Results Information
  - Program offices must review recipient performance reports for success in achieving outcomes
  - Program offices report to NPMs on significant results information through existing processes
  - NPMs report significant results information in Annual Report/annual management reviews
  - Work group will examine ways to integrate existing systems for collecting results information
  - In the interim, electronic copies of final reports stored in IGMS or equivalent program database

#### Notes

*Reporting is a very challenging area. How does EPA use all the information it gets from grants to show that it is achieving their goals? One thing they learned and have been struggling with is that there are so many systems at EPA set up to collect results information. They are figuring out how to sort through this.*

### NEXT STEPS

- Finalizing EPA Order (tentative effective date January 2005)
- Providing training on Strategic Plan/GPRA Architecture
- Providing training to programs and recipients on outcome measurement
- Establishing a coordinated approach for collecting, consolidating and reporting results information

#### Notes

*Looking at some of the results of your projects, you are pioneers in looking at outcome measures and helping us do a good job of addressing them.*